



Business Advisory Council (BAC)
Summary Meeting Notes for August 17, 2017

Summary Notes

770 3rd Street, West Sacramento, CA

Members Present:

Association	Primary	Alternate
ACEC	Arvin Chaudhary	
AICC	Adam Holt	
AAAE		Ming-Chen Yu
AAa/e	Linden Nishinaga	
AGC	John Cooper	
CBCC		
CMAA	Esther Shaw	
COMTO	Walter Allen	
DVBA	Laura Uden	Rebecca Robison
GFACC		
KMCA		
LRRT	Paul Guerrero	
LBA	Leonard Ortiz	
NAACP		
NAMC		
NCA	Diana LaCome	
SFAACC	Fred Jordan	
SAME	Nathan Rockwood	
USPAACC	Prakash Daryani	
WCOE	Lee Cunningham	
WTS	Charissa Frank	

Council Chair: Lisa Marie Alley

Absent Seat(s): Aubry Stone (CBCC), Debbie Hunsaker (GFACC), Betty Williams (NAACP), Pete Varma (NAMC)

California High-Speed Rail Authority (Authority) Team Present: Alice Rodriguez –Small Business Advocate, Ivor Newman – Small Business Outreach Coordinator, Ofelia Alcantara – Director of Engineering, Jose Camarena – Contract Compliance Administrator, Bill Grimsley – Director of Contract Administration, Karen Massie – Information Officer, Alex McCracken – Small Business and Title VI Programs Manager, Meilani Sabadlab – Small Business Technical Associate, Kasaundra Duncan – Title VI Technical Associate, Sally Bruggman – Business Analyst

Guests: Maurice Young (TPZP), Bjorn Nilsen (DFJV), John James (DFJV), Abigail Brown (DFJV), Amanda Craft (CRB), Wendell Wesley Jr. (KMCA Proxy)

I. Welcome and Introductions (Lisa Marie Alley)

- Council Chair, Lisa Marie Alley, called the meeting to order at 1:05 PM.
- Ms. Alley welcomed and thanked everyone for attending the meeting and proceeded by providing a brief overview of the meeting agenda.
- Ms. Alley announced that Interim CEO, Tom Fellenz, would not be able to attend the Full Council due to a personal matter.
- The meeting continued with whole room introductions.

II. Approval of June 21, 2017 Business Advisory Council Meeting Minutes (Lisa Marie Alley)

- Ms. Alley asked if there were any questions or concerns regarding the June 21, 2017 meeting minutes. There were no questions or concerns.
- Member LaCome motioned that the meeting minutes be adopted.
- Member Cunningham seconded the motion; Member Uden abstained all other Members in attendance approved.
- The June meeting minutes were approved by majority vote.

III. Project Updates

High-Speed Rail (Lisa Marie Alley)

- Ms. Alley shared with the Council that Board Chair, Dan Richard, is extremely interested in the BAC's concerns, and intends to participate in a future Full Council Meeting contingent upon his schedule.
- Council Chair, provided an overview of the Authority's new leadership and newly implemented Executive Committee, and internal organizational structure.
- Ms. Alley advised that the new organizational chart is posted on the HSR website for review.
- Ms. Alley confirmed the Authority is in the process of identifying a train operator.

New Leadership

- The Board of Directors appointed Tom Fellenz as the interim Chief Executive Officer (CEO) in May 2017.
 - Jim Andrew, Assistant Chief Counsel, is now acting Chief Counsel, as Mr. Fellenz's fulfills his new roles responsibilities.
 - Currently, the Board is coordinating with a headhunter to expand their search for qualified and potential candidates. Candidates will include international recruitments.
 - Ms. Alley encouraged the BAC to provide recommendations for possible Chief Operating Officer (COO) and CEO applicants.
- The Authority welcomed Roy Hill as the new leader of the Rail Delivery Partner (RDP) team in July 2017.
 - Mr. Hill has over 30 years of experience in senior management, program/project management and business development.
 - He has been involved with the successful delivery of complex infrastructures across Europe, Asia, the Middle East and the United States.

- Ms. Alley mentioned we will coordinate with Mr. Hill and request his participation at a future Full Council Meeting, based on his availability.
- The organizational changes, process improvements, and the arrival of Roy Hill will provide additional and effective guidance for a fully integrated High-Speed Rail Program.

Executive Leadership Committee

- The purpose of the Executive Leadership Committee is to make key decisions, provide direction, and prepare for upcoming board meetings.
- The Executive Leadership Committee is composed of the following individuals:
 - Tom Fellenz – Interim Chief Executive Officer
 - Russ Fong – Chief Financial Officer
 - Jon Tapping – Acting Chief Operating Officer
 - Roy Hill – Chief Program Officer
- This meeting will be chaired by the CEO and will provide a forum to review, approve and acknowledge formal reports and other submissions or briefed topics.

High-Speed Rail Project Update

- Tuolumne Street Bridge –
 - On August 4, the bridge reopened to traffic. The Authority and the City of Fresno held a ribbon-cutting ceremony to commemorate the opening of the new and improved bridge in downtown Fresno.
 - The completion of this bridge is a significant milestone and marks the first completed structure for the California High-Speed Rail Program.
 - The original bridge was demolished in January 2016 and improvements now allow clearance for high-speed and Union Pacific Railroads/trains, enables two-way traffic, and supports the revitalization of downtown Fresno's city core. The bridge also features wider pedestrian walkways and bike paths.
- Southern California Memorandum of Understanding (MOU) Project Advances –
 - The department of Finance approved the Rosecrans/Marquardt Grade Separation Project Funding Plan.
 - It was the final step in a multi-step process to access Prop 1A bonds.
 - The Authority is funding over 50 percent of a \$155 million project to separate Rosecrans and Marquardt Avenue in Santa Fe Springs.
 - This intersection has been rated by the California Public Utilities Commission as the most hazardous grade crossing in California.
- Early Train Operator (ETO) –
 - Council Chair mentioned bids from 5 qualifiers are due Wednesday, September 6.
 - The 5 qualified firms include:
 - China HSR ETO Consortium (China)
 - DB International USA (Germany)
 - FS First Rail Group (Italy)
 - Renfe (Spain)
 - Stagecoach Group plc (United Kingdom)
- Cap and Trade Funding –
 - On July 25, Governor Brown signed AB 398 by assembly member Eduardo Garcia, which extends and improves the state's world-leading cap-and-trade program to ensure California continues to meet its ambitious climate change goals.

- AB 398 strengthens and extends the state's cap-and-trade program, which would have expired without legislative action. The program, along with other state carbon reduction measures, ensures California will meet its SB 32 target to reduce greenhouse gas emissions 40 percent below 1990 levels by 2030.
- The legislation extended the program by 10 years, until 2030.
- 2018 (draft) Business Plan –
 - The 2018 (draft) Business Plan will be released for public review and commentary in February 2018.
 - The Authority is currently completing analytical work.

BAC Members Questions and Concerns:

- Member Nishinaga asked if there was an application process for vacant CEO position. Ms. Alley stated additional details could be found on the Authority's website, www.hsr.ca.gov.
- Member Jordan inquired about the next approaching project section. Ms. Alley stated that the San Jose to Merced project section is the next major area for environmental clearance.
- Member Guerrero highlighted there are continuous complaints from the San Jose Community, with special emphasis that the high-speed rail support committee needs diversity. Member Uden, who is currently working on this project section, challenged Mr. Guerrero's remarks by stating she had reached out to the BAC (via email) requesting participation and received no responses from the Council.

IV. Economic Impact of High-Speed Rail Presentation (Boris Lipkin)

- The purpose of the Authority's analysis was to gain a better understanding of how the High-Speed Rail Program is helping California and the national economy.
- Key questions addressed during the presentation included the following:
 - What economic activity has high-speed rail investment generated?
 - How much investment stayed in the State of California?
 - What was the distribution of investment within the State, including disadvantaged communities?
 - How many companies (large & small) have contributed to high-speed rail?
- To access the Economic Impact Presentation and learn more about the results of this analysis, visit the HSR website:
http://www.hsr.ca.gov/docs/programs/small_business/SB_Advisory_Council_Economic_Impact_Presentation_Aug2017.pdf.

BAC Members Questions and Concerns:

- Member Cunningham requested a written article from the Authority regarding the results of the economic impact analysis. Ms. Cunningham was enthusiastic to circulate and publish the findings of the analysis in WCOE's newsletter. Ms. Alley agreed and mentioned the Communications Team would be in touch.
- Member Cunningham continued to ask, if the analysis covered the long-term benefits and if it was beneficial to report on the long-term impacts. Mr. Lipkin stated that the analysis focused on the direct investments, but the Authority could potentially complete a future study concerning the long-term benefits and impacts.
- Guest participant, Wendell Wesley Jr., inquired whether the Authority determined placement for the maintenance yard. Ms. Alley responded that there are many different types of maintenance yards. Details about maintenance yards will be determined by the early train operator.

- Mr. Wesley inquired about nationwide messaging. Ms. Alley provided a list of messaging tactics currently employed and/or planned. Examples include, but are not limited, to the following:
 - Quarterly meetings with the Federal Railroad Administration (FRA) and congressional congress occur.
 - Board Chair, Dan Richard, frequently meets with members of congress
 - Mr. Richard is currently seeking to conduct a round-table with national media
 - Outreach events with chambers of commerce
 - Broad utilization of social media
 - Partnerships with other agencies and organizations

Ms. Alley further emphasized that the BAC is a channel for mass messaging, further explaining, the Authority looks to the Council to help promote the High-Speed Rail Program and its milestones.

V. Project Updates

Construction Package 1 Update (Tutor/Perini/Zachry/Parsons)

- The Tuolumne Street Bridge reopened to traffic. This bridge marked the first completed structure for the California high-speed rail program.
- TPZP commenced work on 3 – 4 additional overpasses.
- In the next 4-6 months TPZP expects half a dozen construction sites to open.
- Current small businesses on board with TPZP include the following:
 - 45 Small Business
 - 25 Disadvantaged Business Enterprise
 - 13 Disadvantaged Veteran Business Enterprise
- The chart below reflects TPZP's commitment and attainment percentage to SB/DBE/DVBes:

Category	Commitment %	Attainment %
SBE	26.52	11.11
DBE	13.94	5.48
DVBE	5.75	3.33

- They are currently advertising for gas and electrical distribution construction.
- CP-1 continues to have challenges with certified payroll, specifically accuracy and timely submission.

BAC Members Questions and Concerns:

- Member Nishinaga questioned what the percentage for professional services utilization is on TPZP contracts. Based on a recent report provided to the BAC, Mr. Young recalled about 28 percent utilization for professional services.
- Member Guerrero asked about the training provided on TPZP's behalf to help alleviate some of the challenges on the small business community. Mr. Young explained they have convened certified payroll training, but unfortunately found it to be unsuccessful. Most recently, TPZP has hired a person to specifically manage the "timeliness" process of certified payroll process. Mr. Young also mentioned any firm brought on board with CP-1, undergoes a pre-construction workshop. Additionally, over-the-phone training and visits to the TPZP office are always welcomed and highly encouraged.
- Member Cunningham requested clarification concerning small businesses that out-grow their certification status. She questioned if SBs were counted "as-is," the day their agreement was signed. Mr. Camarena mentioned this case-by-case scenario is considered and decided upon based on Authority review. However, Ms. Alley mentioned that the Small Business Team is currently

revamping the 2012 Small Business Program Plan. Such concerns will be considered, properly examined and addressed in the (revised) 2017 Small Business Program Plan.

- Member Frank asked if the Authority will seek feedback on the (revised) draft 2017 Small Business Program plan from the Council. Council Chair confirmed that feedback will be solicited.

Construction Package 2-3 Update (Dragados Flatiron Joint Venture)

- Current small businesses on board with DFJV include the following:
 - 10 Small Business
 - 15 Disadvantaged Business Enterprise
 - 5 Disadvantaged Veteran Business Enterprise
- Upcoming procurements include, but are not limited to, the the following:
 - Irrigation Rearrangement
 - Utilities Relocation Package
 - Street Sweeping
 - Temporary Hydro seeding
 - Signs
 - Concrete
 - Geo Fabric-SWPPP Implementation
 - Precast 14" Concrete Piling (Furnish and/or Install)
 - Hauling/Trucking (Double Bottoms, Semi Bottoms, etc.)
 - Bridge Bearings Pads – August 2017

Upcoming Events Include:

- Irrigation Package Pre-Bid – August 16, 2017 (Selma, CA)
- Trucking Outreach Event – August 24, 2017 (Selma, CA)
- Utilities Relocation Pre-Bid - August 30, 2017
- Weekly "Meet the Contractor" one-on-one meetings
- Bonding and Financing Resources Workshop (TBD: September/October)
- Challenges DFJV are facing include:
 - Continuous ROW
 - Limited local small business resources over a large demand
 - Conventional Thinking
- Mr. Nilsen challenged the Council in the following ways:
 - Aid in the coordination of joint outreach events
 - Assist in advertising events
 - Bring contact information so he can tap into the network and utilize resources.

BAC Members Questions and Concerns:

- Member LaCome asked if certifying resource agencies will be present at DFJV's outreach events. Mr. Nilsen confirmed.
- Member Ortiz requested DFJV to provide a list of necessities, so that the Council could deliver potential solutions and resources if available. Mr. Nilsen accepted the request.
- Member Nishinaga questioned what the percentage for professional services utilization is on TPZP. Based on a recent report provided to the BAC, Mr. Young recalled about 28 percent utilization for professional services.

Construction Package 4 Update (California Rail Builders)

- Current small businesses on board with CRB include the following:
 - 15 Small Business
 - 6 Disadvantaged Business Enterprise
 - 2 Disadvantaged Veteran Business Enterprise
- Upcoming procurements include some of the following:
 - Concrete Girders
 - Precast Panels
 - Earthworks Package 1 (closing September 15, 2017)
- Upcoming Events Include:
 - Community Benefits Agreement (CBA) education for contractors (TBD: late-September)
 - Small Business Networking Open House (TBD: mid-October)
- Challenges CRB are facing include:
 - Union education of CBA requirements to ensure non-union, small business subcontractor's success on the project.
 - Contractor education of the CBA requirements.

BAC Members Questions and Concerns:

- Member Jordan question who the CRB designers were. Ms. Craft noted Othon and Unico.
- Member Cunningham asked if CRB is encouraging their primes to use SB suppliers. Ms. Craft mentioned they already plan on utilizing 2 DBEs for material and supplies. Furthermore, she assured Ms. Cunningham that they are encouraging primes to reach out to the SB supplier community to fulfill the small business participation goal.
- Member Uden asked if the Authority was capturing some sort of "lessons learned." Ms. Rodriguez mentioned that we recently began a month Small Business Design-Build tele-conference. During such conferences, we discuss lessons learned and propose solutions to frequently addressed concerns.
- Member Ortiz suggested the Authority provide some sort of education to subcontractors, and thoroughly explain the roles and responsibilities based on the CBA. Ms. Alley suggested having personnel from Building Trades, present to the Council at a future meeting for clarity.

VI. Committee Meeting Updates

Professional Services Committee (Committee Chair, Fred Jordan)

- The Professional Services Committee addressed the following topics during the Full Council:
 - Requested construction updates be condensed and consolidated for future Full Council Meetings.
 - Requested clarification: Is there a goal for PG&E work?
 - Ms. Alley clarified that the overall small business participation goal is not specific to the scope of work listed for utility relocation. The 30 percent can be distributed in any form, including zero percent SBs on utility relocation.
 - Ms. Alley also noted that the team is working with PG&E to obtain the certified vendor list for distribution to the BAC. We have also been working with the CPUC to add a small business goal for utility work. However, the legislature needs to declare such action.

- PG&E and the Authority are collaboratively working to increase the PG&E certified vendor list.
- Requested the Authority to adopt the FHWA Provisional Rates Program.
- Requested that prompt payment notifications be posted to the Authority website.
- Requested the Authority implement the 30/10/3 split between professional services and construction.

Construction Committee (Committee Chair, Dianna LaCome):

- 3 Committees were formed:
 - CPUC- No activity
 - PGE- Not able to get started
 - Training and Technical Assistance- Held 2 conference calls (6 people attended).
- Plans to set up a new sub-committee: HSR Contracts and Requirements Training. The goal for the end of the year is to obtain a prioritized list of trainings small businesses need.
- The Construction Committee addressed the following topics during the Full Council:
 - Requested the Design-Build Officers participate in the Committee Meetings.

BAC Members Questions and Concerns:

- Member Cunningham requested that when the Council submits a request with no merit, that the Authority respond promptly with a justified reason.

VII. Prior Meeting Requests

- Due to limited time, the Authority did not review this section during the Full Council.
- BAC Members were encouraged to review the BAC Request Tracker and examine the respective documents/reports in their BAC Member Packets.
- Ms. Alley encouraged the Council to promote the Authority's vendor registry system, ConnectHSR, www.ConnectHSR.com.
- Ms. Rodriguez mentioned after the Full Council, Ms. Sabadlab would be available to answer all questions regarding the BAC Travel Reimbursement Guidelines, and would conduct a complete walk-through of all pre-requisite travel reimbursement documents. BAC Members were encouraged to participate, based on availability.

VIII. Future Meeting Dates

- Based on Council votes during the June meeting, they chose to hold the BAC construction tour in early-November, on a Thursday or Friday.
- Due to such criteria, the Authority informed the Council that Thursday, November 9 (day before the 3-day holiday weekend) was the best option.
- The Council requested alternative dates. Ms. Alley mentioned an email with additional tour dates would be circulated and based upon Council majority vote, the final tour date would be determined.

IX. Member and Public Comment and Adjournment

- Member Frank motioned the meeting to end.
- Member Uden seconded.
- The meeting was adjourned by Ms. Alley at 3: 50 PM.